



Department of Justice

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UTICA AREA MAN SENTENCED IN INSURANCE FRAUD CASE

United States Attorney Richard S. Hartunian announced today that a Utica man has been sentenced for his role in an insurance fraud scheme.

DAVID MORGAN, age 55, Utica, NY, was sentenced by United States District Court Judge Norman A. Mordue in Syracuse. MORGAN was sentenced to 21 months imprisonment and ordered to pay restitution in an amount exceeding \$1.4 million. MORGAN will also serve three years of supervision following his release from incarceration.

DAVID MORGAN pled guilty on July 31, 2012 to mail fraud. MORGAN admitted that in or about 2005 he agreed to assist other conspirators in an insurance fraud scheme. The scheme involved a staged motor vehicle accident on Harbor Lock Road in Utica on March 20, 2006. On that date, Joseph Dellerba and Cynthia Morgan, David's wife, claimed to have been injured while passengers in a Ford van which was struck by a Ryder truck driven by Michael Matrulli. In fact, the collision was staged, and Dellerba and Morgan were not passengers at the time of the impact. Dellerba and Morgan claimed to have been injured as a result of the accident and submitted false insurance claims, including claims for personal injuries, no fault benefits and disability benefits. Dellerba and Morgan sought medical treatment for non-existent injuries or injuries that they claimed were the result of the collision. David Morgan and his wife subsequently initiated a civil lawsuit seeking a monetary recovery as a result of injuries suffered by Cynthia in the fictitious accident. That suit was settled with a payment of \$30,000 to the Morgans.

The case was investigated by the Federal Bureau of Investigation, the Internal Revenue Service, Criminal Investigation Division and the New York State Department of Financial Services, Criminal Investigations Unit. The case was prosecuted by Assistant United States Attorney Edward R. Broton.